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UNCLAS SECTION 01 OF 05 SEOUL 001022

SIPDIS

E.O. 12958: N/A

TAGS: PREL PGOV MARR ECON KPAO KS US

SUBJECT: SEOUL - PRESS BULLETIN; June 29, 2009

TOP HEADLINES

Chosun Ilbo

Ssangyong Motor Union Workers Join Forces with Leftist Organizations to Continue Strike over Job Security

JoongAng Ilbo, All TVs

Kumho Asiana to Sell Daewoo Construction to Raise Funds

Dong-a Ilbo

Then Senior Joint Chiefs of Staff Officer: "ROK Won June 29 Second Yeonpyeong Naval Battle...

N. Korea Suffered Great Losses"

Hankook Ilbo, Segye Ilbo, Seoul Shinmun Lee, Aso Agree in Principle on the Need to Hold Five-Way Talks on N. Korea

Hankyoreh Shinmun Lee Myung-bak Administration "Turns the Clock Back 20 Years" to Control MBC

DOMESTIC DEVELOPMENTS

President Lee Myung-bak and Japanese Prime Minister Taro Aso, in a June 28 summit, reaffirmed that they will not tolerate a nuclear-armed North Korea and agreed in principle on the need for a meeting of the five members - excluding North Korea - of the Six-Party Talks to discuss how to bring North Korea back to the dialogue table. They also agreed to speed up negotiations for a bilateral free trade agreement. (All)

INTERNATIONAL NEWS

On June 26, the Obama Administration created a task force to enforce UN Security Council Resolution 1874 and appointed the former U.S. Ambassador to Bolivia, Philip Goldberg, to lead the task force. President Obama will soon send him to China to discuss sanctions on North Korea. (All)

MEDIA ANALYSIS

-N. Korea

Yesterday's ROK-Japan summit in Tokyo received wide press coverage today. All ROK media reported that President Lee Myung-bak and Japanese Prime Minister Taro Aso reaffirmed that they will not tolerate a nuclear-armed North Korea and agreed in principle on the need for the five members - excluding North Korea - of the Six-Party Talks to meet to discuss how to bring North Korea back to the dialogue table.

Newspapers carried the following headlines: "Lee, Aso Share the Need for Five-Party Consultations" (right-of-center JoongAng Ilbo, conservative Dong-a Ilbo, conservative Segye Ilbo, moderate Seoul Shinmun); "Leaders Lay the Foundations for Trilateral Cooperation (between ROK, U.S. and Japan) on N. Korea... Have In-depth Discussions to 'Move China'" (moderate Hankook Ilbo); "Lee, Aso Agree that It Is Important to Implement Sanctions against N. Korea" (left-leaning Hankyoreh Shinmun)

All media also gave attention to the June 26 launch of the Obama Administration's interagency task force to enforce UN Security Council Resolution 1874. The media reported that President Barack Obama has appointed the former U.S. Ambassador to Bolivia, Philip

SEOUL 00001022 002 OF 005

Goldberg, to lead the task force and will soon send him to China to discuss sanctions on North Korea.

In particular, conservative Chosun Ilbo observed that the appointment of Mr. Goldberg brings the number of senior American officials who deal with North Korea to four, including Special Representative for North Korea Policy Stephen Bosworth, Special Envoy for the Six-Party Talks Sung Kim, and Kurt Campbell, who was recently confirmed as Assistant Secretary of State for East Asian and Pacific Affairs. The Chosun report commented that it remains to be seen whether the responsibilities of the four will overlap and lead to confusion.

Chosun also noted in an accompanying article that Washington has approached China several times to urge them to join in sanctioning North Korea but that Beijing is making Washington anxious by failing to give a clear answer. Chosun headlined its article: "Sanctions against N. Korea... U.S. Pressures China; China Ignores U.S."

In a related development, conservative Dong-a Ilbo argued in a commentary from Beijing: "Instead of clearly opposing North Korea's nuclear development clear and taking stern measures, China is buying North Korea time for additional nuclear development. ... If China continues to be lackadaisical about sanctioning North Korea over its nuclear test, it can invite perception that China does not care about North Korea's poverty and downfall, and is only interested in keeping North Korea under its influence for its own national interests."

OPINIONS/EDITORIALS

IF CHINA IS NORTH KOREA'S TRUE ALLY (Dong-a Ilbo, June 29, 2009, Page 31)

By Beijing Correspondent Gu Ja-ryong

After North Korea's second nuclear test, the world's expectations for China's role are growing higher than ever before. Some people argue that the UN Security Council's resolution or sanctions will not be effective without China's active participation.

However, look at China. The Chinese Foreign Ministry Spokesman said, "Measures related to North Korea should not affect the

livelihood of the North Korean people and their normal economic transactions." Furthermore, he added, "In the UN Security Council Resolution on sanctions against North Korea, there is a provision that (sanctions) should not affect the needs of the (North Korean) civilian population, their economic activities, and humanitarian aid (for them)." This implies that, although China agreed to the UNSC Resolution, it does not have a strong determination. Douglas Paal, a China expert at the Carnegie Endowment for International Peace, also noted, "China has decided to maintain its relations with North Korea, instead of (pursuing) sanctions on the North."

Despite North Korea's second nuclear test, the Chinese government seems to believe that it can help (improve) the livelihood of the North Korean people by not pressuring the communist state too much. Over the past five decades, China, while describing the North as its friend and ally, has maintained its influence over North Korea. What is the result?

North Korean defectors in China are now estimated at over 50,000. Many North Korean women are being sold to Chinese farmers. If Pyongyang continues to go down the road to nuclear possession, the situation in North Korea will inevitably get worse. North Korea, which was once better off than China, became penniless while China grew up to be the world's superpower. With the increasing incidences of human rights abuses toward North Koreans in China, does Beijing think that, if it prevents North Koreans from crossing the border into China and sends North Korean refugees back to their nation, it would help maintain "stability on the Korean Peninsula"?

SEOUL 00001022 003 OF 005

According to a North Korea expert, whenever tensions run high on the Korean Peninsula, the North Korean leadership says, "We are in ruins. We have nothing more to lose," and threatens war in brinkmanship tactics. Ironically, China played a big role in North Korea's plunging into poverty and becoming a pariah state in the international community.

China did not try to lead the North out to the open world but overlooked the North going down the nuclear road. Instead of clearly opposing North Korea's nuclear development and taking stern measures, China is buying North Korea time for additional nuclear development. North Korea's closet friend and ally could play the most harmful role.

If China continues to be lackadaisical about sanctioning North Korea over its nuclear test, it can invite the perception that China does not care about North Korea's poverty and downfall, and is only interested in keeping North Korea under its influence for its own national interests. Wang Chung, a guest researcher for Japanese policy studies at the Chinese Academy of Social Sciences, argued, "Despite North Korea's nuclear test, China should not give up on North Korea." He cited as a reason the strategic importance of North Korea as a buffer zone against the U.S. Wang said, "No Chinese would want the buffer zone to disappear and a U.S. aircraft to cross the Yalu River and monitor the Chinese border region."

There is some controversy over the influence that China has over the North. However, China accounts for almost 73 percent of North Korea's foreign trade. If you visit the border between North Korea and China, you would think that there is nothing that China cannot do toward North Korea, which is just across the narrow river. No Chinese high-ranking leader has publicly said that China has no or only small influence over the North. This may be because they privately think (that China has a lot of influence over North Korea.) Now is the time for China to rebuke the North in a stern manner and encourage it to stop going down the wrong way. This is the only way for China to clear up the misunderstanding that China is only seeking its own national interests and for China to do what it should as a true friend and ally of North Korea.

FOR FULL COMPREHENSIVE TALKS TO RESOLVE NORTH KOREA NUCLEAR ISSUE (Hankyoreh Shinmun, editorial, June 29, 2009, page 23)

Since the second North Korean nuclear test, an impasse has been

developing. As nations have begun taking concrete steps to execute United Nations Security Council (UNSC) sanctions on North Korea, North Korea's protests have only grown stronger.

The ROK and Japan held concentrated discussions to cooperate in their response to North Korea during the ROK-Japan summit on Sunday in an effort to strengthen the pressure both nations have been putting on North Korea. In another unprecedented move, the U.S. has formed a joint-task force to execute the sanctions resolution, with Philip Goldberg, the former U.S. Ambassador Bolivia, named as its head. This reveals the intention of the Obama Administration to lend force to pressure on North Korea for the time being and to distinguish its current actions from the former activities of special envoys Stephen Bosworth or Sung Kim.

Of course, more than hardline moves are taking place. Chinese ambassador to Korea Cheng Yonghua said that sanctions on North Korea were not the goal of the UNSC's actions, and political and diplomatic means were the only certain and enforceable ones that could resolve the problems of the Korean Peninsula. Cheng's statements emphasized efforts to resolve the nuclear issue through dialogue. The plan to convene five-party talks as called for by President Lee Myung-bak, too, seems to be falling out of favor due to Chinese opposition. Moreover, the U.S.'s review of its North Korea policy is expected to quicken now that Kurt Campbell has been confirmed as Assistant Secretary of State for East Asian and Pacific Affairs and has emphasized a will to seek a comprehensive solution to the nuclear issue.

SEOUL 00001022 004 OF 005

A response to North Korea's unilateral provocations, including its nuclear tests and long-range rocket launches, is unavoidable, but one cannot fundamentally resolve the nuclear issue with sanctions alone. Significant progress made in the past on the nuclear issue was the result of dialogue, not sanctions. It is also unrealistic to expect China to actively participate in pressure on North Korea. To the contrary, China is showing wariness of louder hardline voices coming from the ROK that are acting in concert with Japan.

At times like this, the ROK's attitude plays a significant part. To strangle inter-Korean relations and to focus only on strengthening sanctions is to remove itself from being part of a solution to the nuclear issue. If the U.S. begins negotiations with North Korea, the ROK could be pushed from the center, as was the case during the Kim Young-sam Administration. As the solution lies ultimately in comprehensive negotiations, the ROK should establish its own independent negotiating plan to convince the U.S. and North Korea. The ROK should also take on a new approach towards changing currently hostile inter-Korea relations, where even humanitarian aid has been stopped.

(This is a translation provided by the newspaper. We have reviewed it, edited it for readability, and have determined that it is identical to the Korean version.)

FEATURES

U.S. HAS "FOUR TOP OFFICIALS" RESPONSIBLE FOR NORTH KOREAN AFFAIRS (Chosun Ilbo, June 29, page 4)

By Correspondent Lee Ha-won

The U.S. is stepping up pressure on North Korea by launching a taskforce to implement UN Security Council Resolution 1874. The interagency taskforce to enforce sanctions against North Korea was launched on June 26 to coordinate actions with other nations in implementing the UN resolution, including searches of outbound North Korean ships and aircraft, and international financial sanctions.

U.S. President Barack Obama appointed the former U.S. Ambassador to Bolivia, Philip Goldberg, to lead the task force and will soon send him to China to discuss sanctions on North Korea.

In the 1990s Goldberg worked with Richard Holbrooke, who currently serves as U.S. Special Envoy to Afghanistan and Pakistan, until the signing of the Dayton Peace Agreement dealing with Bosnian matters. With regards to the creation of the taskforce and the appointment of Goldberg, a U.S. government official told the New York Times that (the USG) needed someone who can be fully committed to implementation of the UN Security Council Resolution.

The appointment of Mr. Goldberg brings the number of senior American officials who deal with North Korea to four. In the early days of his presidency, Obama had "two top officials" in charge of North Korean affairs -- Special Representative for North Korea Policy Stephen Bosworth and Special Envoy for the Six-Party Talks Sung Kim. Ambassador Bosworth was assigned to take care of general issues and Ambassador Kim was assigned to serve as chief U.S. negotiator for the Six-Party Talks. Goldberg will engage in establishing U.S. policy on North Korea, along with Bosworth, Kim, and Kurt Campbell, who has recently been confirmed as Assistant Secretary of State for East Asian and Pacific Affairs.

This "four top" system adopted by President Obama in dealing with North Korean affairs is significantly different from the approach taken by the George W Bush Administration.

During the former Bush Administration, currently U.S. Ambassador to Iraq Christopher Hill served as both Assistant Secretary of State for East Asian and Pacific Affairs and chief U.S. negotiator for the

SEOUL 00001022 005 OF 005

Six-Party Talks, assuming sole authority over the U.S. North Korea policy.

(It seems that) the Obama Administration has considered that Ambassador Hill's "one-man show" led to the conciliatory policy in which North Korea was rewarded for its bad behavior. (This is why) the Obama Administration has decided to separate decision-making, negotiations and sanctions regarding North Korea from one another.

It remains to be seen whether the responsibilities of the four will overlap and lead to confusion. We cannot rule out the possibility that if consultations among the four top officials do not go smoothly, this (precarious situation on the Korean Peninsula) will be aggravated and U.S policy on North Korea will not be undertaken effectively.

STEPHENS